

Regular Session, 2010

HOUSE CONCURRENT RESOLUTION NO. 216

BY REPRESENTATIVE ROBIDEAUX

A CONCURRENT RESOLUTION

To suspend from 12:01 a.m. August 10, 2010, through 11:59 p.m. on August 13, 2010, the provisions of R.S. 47:841(A) and (C) as it relates to the excise tax collected on cigars and smoking tobacco by the state when a dealer gives away cigars or smoking tobacco for advertising or any other purpose whatsoever.

WHEREAS, according to the provisions of R.S. 47:841, the state imposes a tax upon the sale, use, consumption, handling, or distribution of all cigars, cigarettes, and smoking and smokeless tobacco according to certain classifications and rates; and

WHEREAS, R.S. 47:854, provides, in part, that "it is the intent and purpose of this Chapter to levy an excise tax on all cigars, cigarettes and smoking tobacco, as defined in this Chapter, sold, used, consumed, handled or distributed in this state, except as provided in R.S. 47:855 and to collect same from the dealer who first sells, uses, consumes, handles or distributes the same in the State of Louisiana."; and

WHEREAS, R.S. 47:854 further provides that "it is further the intent and purpose of this Chapter that where a dealer gives away cigars, cigarettes or smoking tobacco for advertising or any other purpose whatsoever the same shall be taxed in the same manner as if they were sold, used, consumed, handled or distributed in this state."; and

WHEREAS, beginning August 10 and ending on August 13, 2010, the city of New Orleans will be hosting a convention for the International Premium Cigar and Pipe Retailers Association wherein, according to the participation of the convention the city hosted in 2008, nearly two thousand nine hundred delegates and over two thousand three hundred exhibitors are expected to attend and participate in the convention; and

WHEREAS, this convention is considered a private professional meeting that is not open to the general public and is organized by tobacco businesses intended to promote new and innovative tobacco and tobacco products, including in many cases, providing delegates

with a sample of a cigar or new smoking tobacco blend in order to promote sales and orders of their products; and

WHEREAS, Louisiana is competing for the convention to be held in 2013 with other venues, such as Las Vegas and Houston, which do not impose excise taxes on samples of cigars, smoking tobacco, and tobacco products given away at conventions such as this; and

WHEREAS, the potential positive economic impact to the city of New Orleans and the state of Louisiana generated from the direct and indirect spending of the convention's delegates and exhibitors in local restaurants and other tourist venues is expected to exceed fifteen million dollars in August, which is typically a slow month for conventions and tourism; and

WHEREAS, the potential economic impact realized by the city of New Orleans and by the state of Louisiana from hosting this convention far exceeds the amount of excise tax that the state of Louisiana will forego collecting on cigars and smoking tobacco given away at this convention by the dealer as a result of this suspension of the tax from August 10 through August 13, 2010.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby suspends the provisions of R.S. 47:841(A) and (C) as it relates to the excise tax collected on cigars and smoking tobacco by the state when a dealer gives away cigars or smoking tobacco for advertising or any other purpose whatsoever.

BE IT FURTHER RESOLVED that this suspension shall become effective at 12:01 a.m. August 10, 2010, and shall extend through 11:59 p.m. on August 13, 2010.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE